



August 1988

# Reports Issued in July 1988

National Defense	1
International Affairs	6
Science, Space, and Technology	7
Energy	8
Natural Resources and Environment	10
Agriculture	13
Commerce and Housing Credit	14
Transportation	16
Social Services	17
Health	18
Income Security	20
Veterans Affairs	21
Administration of Justice	21
General Government	22
Congressional Testimony by GAO Officials	25

043023/136598

# How to Obtain GAO Reports and Testimony

---

## In person:

U.S. General Accounting Office  
Room 1000  
700 4th St., N.W.  
Washington, D.C. 20548

---

## By mail:

Complete Order Form included in this publication and send to:

U.S. General Accounting Office  
Post Office Box 6015  
Gaithersburg, Maryland 20877

---

## By phone:

202-275-6241

The first five copies of each report are free. Additional copies are \$2.00 each.

There is a 25% discount on orders for 100 or more copies mailed to single address.

Orders must be prepaid by cash or by check or money order made out to the Superintendent of Documents.

---

# Reports Issued in July 1988

---

---

## National Defense

---

### Weapons Testing: Quality of DOD Operational Testing and Reporting

GAO/PEMD-88-32BR, July 26.

Congress established the Office of the Director of Operational Testing and Evaluation to reform weapon systems testing by instituting (1) independent oversight and coordination of the military services' planning and execution of operational tests, (2) independent evaluation of the results of operational tests, and (3) objective reporting of those results to decisionmakers in the Department of Defense and the Congress. However, in reviewing testing and reporting on six weapon systems which would reach the full production milestone by the end of FY 1987, GAO identified significant problems in test and evaluation methodological adequacy and limitations in the planning, execution, realism, analysis, and reporting by the service test agencies. DOT&E reports to the Congress contained inadequate and/or inaccurate statements, thus depriving the Congress of a complete and accurate picture of weapon performance needed to make funding decisions.

---

### Weapon Systems: Acquisition of the Army's Line-Of-Sight Forward Heavy Air Defense System

GAO/NSIAD-88-198, June 30.

GAO found that a critical competitive test of the Army's Forward Area Air Defense System that would lead to its acquiring a line-of-sight forward heavy system was objective and adequate to select the best existing system to meet LOS-F-H requirements. The LOS-F-H system's mission is to provide air defense against attacks by fixed- and rotary-wing aircraft and will fill the void left when procurement of the Sergeant York gun system was terminated in 1985.

---

### Missile Development: AMRAAM's Combat Effectiveness at Production Not Fully Tested

GAO/NSIAD-88-186, July 7.

The Air Force and the Navy are jointly developing the AMRAAM to meet their medium range air-to-air missile requirements into the next century. The test plan appears comprehensive with the operational flight tests realistic and tactically significant in predicting how the missile will perform in combat. However, the more difficult and operationally realistic tests have not been conducted. Nonetheless, the tests that were conducted identified performance issues that the Air Force had not resolved. Also, the Air Force changed parameters on some tests, which

---

improved the missile's probability of success. Production of 400 full-capability missiles are expected to be approved.

---

**ICBM Modernization:  
Selected Funding Options  
for the Small ICBM**

Acc. No. 136306 (GAO/NSIAD-88-193), July 7.

The Small Intercontinental Ballistic Missile program office estimates that the FY 1989 funding requirements necessary to meet four program options range from \$500 million for a missile only engineering program to \$1.2 billion for a restarted weapon system full-scale development program. To continue both the missile and basing portions of the program without regard to the lead time necessary to requalify the program contractors, subcontractors, and vendors, the Air Force would need \$600 million in FY 1989. To continue the missile portion of the program and minimize the lead time to start the missile full-scale development program, the Air Force would need \$900 million in FY 1989. To continue the missile and basing portions of the program and minimize the lead time to restart the weapon system full-scale development program, the Air Force would need \$1.2 billion in FY 1989.

---

**Strategic Defense  
Initiative Program:  
Accuracy of Statements  
Concerning DOE's X-Ray  
Laser Research Program**

GAO/NSIAD-88-181BR, June 30.

Allegations have been made that technical information about the X-ray laser research program being carried out at the Lawrence Livermore National Laboratory as part of the Strategic Defense Initiative program was misrepresented to the Administration. LLNL is operated by the University of California under a contract with the Department of Energy. After getting opinions from selected LLNL scientists who had specific knowledge about the X-ray laser program as to the allegations, GAO concluded there was no general agreement among these scientists concerning the accuracy of the statements.

---

**Strategic Air Command:  
KC-135A Crash and the  
Need for SAC Air Show  
Regulations**

GAO/NSIAD-88-172, July 19.

In March 1987, a Strategic Air Command KC-135 aircraft crashed and burned at Fairchild Air Force Base near Spokane, Washington, while it was practicing for an air show. Seven Air Force personnel, six in the aircraft and one on the ground, died in the crash. SAC officials believe the crew flew the aircraft into a position that it could not recover from. GAO found that SAC's planning, direction, and oversight for the demonstration were less thorough than for the other SAC aircraft to be included in the

air show. SAC did not have regulations for air show demonstrations nor did it consult Tactical Air Command officials or regulations when developing the snake maneuver.

### Combat Radios: Army's Selection of SINGARS' Second-Source Contractor

Acc. No. 136382 (GAO/NSIAD-88-200), July 7.

In May 1988, Army announced its intent to award General Dynamics a contract to become a second producer of Single Channel Ground and Airborne Radio Systems for \$22.1 million to produce 400 radios plus another 150 test units. The contract provides two options that could bring the total to \$80.2 million. Assuming the options are exercised, Army then plans to buy SINGARS competitively, from both General Dynamics and the original producer, ITT. Total acquisition cost is estimated at \$5.2 billion for the Army. This second-source program provides potential for the Army to get a better radio at a competitive price. But neither ITT nor General Dynamics has a production model of the radio in the final design the Army wants to buy. Recognizing this risk, Army incorporated protective measures into the contract. If the program is successful, Army stands a good chance of obtaining the radio it needs while also providing the high production capacity needed for buying more than 300,000 radios at competitive prices.

### Internal Controls: Controls Over Material Furnished to Navy Contractors Can Be Improved

GAO/NSIAD-88-150, June 21.

Navy organizations have not complied with Department of Defense instructions requiring that the decision to provide government-furnished material be based on sound rationale and be documented before awarding a contract. In some cases, contractors were authorized to requisition GFM without the Navy making a best interest determination, even though commercial sources could provide the materials. Navy contractors do not have effective property control systems, and government oversight of these control systems is inadequate. Navy also has made only limited progress in developing and implementing property accountability and financial accounting systems that would adequately account for the material provided to and used by contractors. These control weaknesses could result in the failure to report GFM valued in the millions as potential excess material being held by contractors and increase the potential for fraud, waste, and abuse.

---

**Military Personnel:  
Impact of Joint Duty Tours  
on Officer Career Paths**

GAO/NSIAD-88-184BR, June 6.

This report examines the extent to which officers' career paths will need to change in order to accommodate a joint duty assignment—an assignment to a multi-service command. It also examines the assignment history of (1) officers recently selected for promotion to brigadier general and (2) officers currently in the grades of lieutenant general and general and Navy equivalents. The analysis focuses on officers from war-fighting specialties and concludes that significant adjustments in assignment patterns will be needed to accommodate the longer joint tours.

---

**Military Manpower:  
Problems in Accounting  
for Occupational Shortfalls**

GAO/NSIAD-88-188, July 15.

The military services' manpower and personnel management accounting and reporting systems do not currently provide data and analysis for the Department of Defense to effectively manage its resources and monitor the inventory and application of military occupational skills on a total force basis. However, all three services have the capability to provide occupation-specific total force data which could serve as the starting point for a total force reconciliation at the service level. To perform a reconciliation, occupation-specific skill data must be consistently defined and specific criteria and procedures have to be developed to properly match requirement, authorizations, and inventories for peacetime mobilization, and wartime operations.

---

**DOD Civilians Overseas:  
Information on Workyears  
Expended in Fiscal Year  
1986**

Acc. No. 136340 (GAO/NSIAD-88-199BR), July 15.

A figure of 184,222 workyears that were used overseas by Department of Defense civilians in FY 1986 cited in the DOD Manpower Requirements Report for FY 1988 was actually an estimate. A figure of 188,496 workyears, subsequently reported, contains overstatements. Data currently available show that DOD used 186,202 civilian workyears overseas in FY 1986, and 182,012 workyears in FY 1987.

---

**DOD Health Care:  
Additional Efforts Needed  
to Verify Physicians'  
Qualifications**

Acc. No. 136367 (GAO/HRD-88-39), July 18.

Individual checks on 426 Department of Defense physicians, randomly selected from 1,070 files at nine hospitals, showed that the files generally did not contain complete or adequate documentation required by

DOD and the services' regulations to support the award of clinical privileges. About 53 percent of the files did not contain authenticated medical diplomas nor did they show what was considered, discussed, and reviewed in the evaluation and award of clinical privileges. Privileges were awarded without documentation of required reviews. In addition to potential consequences to beneficiaries of allowing physicians whose performance has not been documented to practice medicine, there could be potential problems in defending the government against malpractice claims involving such physicians.

---

**Medical ADP Systems:  
Analysis of Technical  
Aspects of DOD's  
Composite Health Care  
System**

Acc. No. 136304 (GAO/IMTEC-88-27), July 11.

The Department of Defense is acquiring a state-of-the-art medical information system—Composite Health Care—for use in approximately 167 military hospitals and nearly 600 clinics worldwide at an estimated program cost of between \$800 million and \$1.1 billion. Two key aspects of the acquisition are system level specifications and medical facility work load. GAO sees no reason to question the majority of the system-level specifications but believes those for operator support, maintenance and response times, and on-line data retention have not been adequately analyzed or justified. The work-load model is valid because it includes providing automated support for the largest to the smallest hospitals and clinics. But it is critical for DOD to assess the impact of possible work load changes on the CHCS acquisition during the operational test and evaluation phase.

---

**Army Construction:  
Allegation of the Improper  
Use of Materials at Ft.  
Leonard Wood Found to Be  
Unmerited**

GAO/NSIAD-88-202BR, July 18.

An allegation by a supplier of flooring systems that irregularities occurred on a U.S. Army Corps of Engineers' construction project at Fort Leonard Wood, Missouri, was found to have no merit. Specifically, the supplier alleged that certain materials proposed by the prime contractor for use on the project did not comply with contract specifications and should either be rejected by the Corps or the contract price should be reduced to reflect the substitution of inferior material. Such functionally equivalent substitutions for materials described in the specifications are permitted under the terms of the contract and are not viewed as deviations to those specifications.

---

## International Affairs

---

### Foreign Aid: Issues Concerning AID's Private-Sector Revolving Fund

Acc. No. 136368 (GAO/NSIAD-88-185), July 18.

The Agency for International Development has increased its emphasis on providing U.S. foreign assistance through a Private-Sector Revolving Fund which provides loans to small businesses and cooperatives in developing countries. GAO found weaknesses in Fund financial management. AID's cash flow projections indicate that nearly \$16 million will be available for the Fund in FY 1988. GAO's analyses indicate that appropriations of \$8.5 million requested by AID for FY 1989 would exceed Fund requirements. There are serious questions as to whether the Fund can effectively operate a larger program. GAO found that the Fund does not have a risk policy that defines the balance that should be sought between the credit worthiness of projects and AID's developmental goals.

---

### Caribbean Basin Initiative: Impact on Selected Countries

Acc. No. 136305 (GAO/NSIAD-88-177), July 12.

The Caribbean Basin Initiative is a U.S. government plan that offers trade concessions and investment incentives to promote economic and political stability in designated Caribbean Basin countries. In the countries it reviewed, GAO found that the CBI has fostered trade and investment opportunities, and established a basis for improved economic performance. To date, however, the resulting trade and investment have not been sufficient to generate broadly based economic growth, alleviate debt-servicing problems, or create lasting employment.

---

### State Department: Controlling Access to Headquarters Facilities

GAO/NSIAD-88-196BR, June 29.

The State Department is making significant upgrades in security at its Washington headquarters and annexes but GAO noted that it had issued about 3,500 building passes to individuals for other than official business. Specifically, building passes were being issued without being subject to formal Department policy or criteria, were being provided for the personal convenience of nonemployees, were expensive to issue because they involved a background security check, and might unnecessarily increase the possibility of a breakdown in security.



---

## Science, Space, and Technology

---

### Biotechnology: Managing the Risks of Field Testing Genetically Engineered Organisms

GAO/RCED-88-27, June 13.

Genetic engineering using recombinant DNA allows the construction of organisms with new combinations of traits more precisely and rapidly than is possible by using traditional processes. Adverse consequences have occurred. Three federal agencies have dominant roles in regulating the use of genetically engineered organisms in the environment—the Department of Agriculture, the Environmental Protection Agency, and the Food and Drug Administration—but they have had limited experience with the issue and are uncertain about their effects. A variety of control methods are available to limit the genetically engineered microorganisms' dispersal and impact. Choosing the appropriate degree of control involves a tradeoff between minimizing risk and maximizing the realism, and therefore the usefulness of the field test.

---

### Space Shuttle: Nasa's Major Changes to Flight Hardware

GAO/NSIAD-88-173FS, June 27.

The National Aeronautics and Space Administration made 56 changes to the space shuttle flight hardware from FY 1981 through 1987 for a total of \$2.4 billion. These changes were made in the external tank, orbiter, solid rocket booster assembly, solid rocket motor, and space shuttle main engines. Primary justifications included cost avoidance, capability, reliability, obsolescence, and safety. This fact sheet shows a breakdown of the changes by shuttle component and contains a brief description of each change.

---

## Energy

---

---

### Nuclear Health and Safety: Dealing With Problems in the Nuclear Defense Complex Expected to Cost Over \$100 Billion

Acc. No. 136310 (GAO/RCED-88-197BR), July 6.

Major upgrades and/or new replacements are needed in the Department of Energy's nuclear defense complex which will cost anywhere from about \$100 billion to over \$130 billion. Further, expanded production capabilities and relocation of facilities could add \$15 billion to \$25 billion to the overall cost. This situation presents a formidable task for the Congress and future administrations in weighing the enormous cost of correcting problem areas in the nuclear defense complex against competing budget priorities in a deficit-conscious era. Fundamental questions concerning nuclear capabilities and safety will continually be asked. The need to set budget priorities in future years will present difficult choices for the Congress and for current and future administrations.

---

### Nuclear Health and Safety: Oversight at DOE's Nuclear Facilities Can Be Strengthened

Acc. No. 136307 (GAO/RCED-88-137), July 8.

Problems remain in the Department of Energy's environment, safety, and health program which, if unaddressed, may keep the program from functioning effectively. Specifically, GAO found that the health and safety functions of the program are not legislatively mandated. As a result, the current or future Secretary of Energy could relegate these issues to a level within DOE which may not provide top management attention. DOE's Advisory Committee on Nuclear Facility Safety is not structurally distinct and separate from DOE and does not have the authority to require DOE to address its findings and recommendations. DOE also has not fully determined what commercial safety standards are applicable to its nuclear facilities and therefore cannot demonstrate if they are comparably safe to the commercial facilities. Without defining these standards, no clear criteria exist for determining what aspects of the facilities need to be upgraded or replaced.

---

### Nuclear Waste: DOE Should Base Disposal Fee Assessment on Realistic Inflation Rate

Acc. No. 136393 (GAO/RCED-88-129), July 22.

As required by the Nuclear Waste Policy Act of 1982, the Department of Energy is to annually determine whether the waste disposal fee will produce sufficient revenues to offset the total estimated costs of the waste disposal program. In its June 1987 assessment, DOE recommended that

---

the fee remain unchanged even though its analysis showed that at an inflation rate of 4 percent the current fee would result in end-of-program deficits ranging from \$21 billion to \$76 billion in 2085. The 1988 assessment calls for reduced total costs because of program changes. Thus, DOE may be able to begin using a realistic inflation rate in determining fee adequacy in 1988 without proposing a major fee increase.

---

**Naval Petroleum Reserve  
No. 1:  
Efforts to Sell the Reserve**

GAO/RCED-88-198, July 28.

The Department of the Navy originally managed four naval petroleum reserves but in October 1977, responsibility for managing the reserves was transferred from Navy to the Department of Energy. This report (1) discusses the legal authority for proposed sales of any of the four NPRs and (2) describes the chronology of events leading to and following each proposed sale, including the rationale for each sale and the result of each proposal, with concentration on NPR-1. In addition, the report includes a discussion of proposals to produce and sell NPR-1's oil and gas production for nonmilitary use. GAO believes that DOE has not adequately justified the sale of NPR-1. More information is needed, including information on the amount of oil reserves and on NPR-1's value to the government through continued ownership and operation.

---

**Energy Management:  
States' Use and DOE  
Oversight of Exxon and  
Stripper Well Overcharge  
Funds**

GAO/RCED-88-152, June 14.

Since 1986 states have received over \$3 billion as a result of the Exxon and Stripper Well oil overcharge cases decided in the courts. The settlements resulted from actions the Department of Energy initiated to resolve alleged violations by crude oil producers of pricing regulations that were in effect between 1973 and 1981. The planned use of funds in seven states that GAO reviewed appeared to fall within allowable programs and be aimed at providing restitution to injured parties through energy conservation or energy assistance. DOE established new procedures for monitoring energy grant programs that place primary reliance on the states for carrying out on-site monitoring activities but it is too soon to determine whether they will be sufficient to ensure that states use Exxon and Stripper Well funds as the courts intended. GAO believes that DOE's procedures for monitoring Stripper Well funds used for non-grant projects, which provide for no on-site monitoring by DOE, are inconsistent with legislatively prescribed requirements.

---

**Oil Reserves:  
Status of Strategic  
Petroleum Reserves as of  
March 31, 1988**

GAO/RCED-88-175FS, June 24.

As of March 1988, the Strategic Petroleum Reserve inventory totaled 544.9 million barrels of oil. During the past 6 months the Department of Energy added 11.0 million barrels of crude oil to the SPR. During this period, DOE disbursed \$208 million from the SPR Petroleum Account. All of the oil was purchased from PEMEX—the Mexican national oil company. In FY 1988, \$164 million was appropriated for facilities development and management and \$439 million for oil purchases. For FY 1989, DOE proposes to obligate \$173 million for facilities development and management and \$236 million for oil purchases. DOE plans to postpone all further drawdown exercises involving crude oil movements until their effects on cavern integrity are evaluated. DOE and the Military Sealift Command have made progress in resolving the questions surrounding nearly \$500,000 in payments to shippers for demurrage charges.

---

**Natural Resources and  
Environment**

---

**Hazardous Waste:  
New Approach Needed to  
Manage the Resource  
Conservation and  
Recovery Act**

Acc. No. 136383 (GAO/RCED-88-115), July 19.

Frustrated over the pace and comprehensiveness of the Environmental Protection Administration's limited progress in identifying and regulating hazardous waste, Congress enacted amendments to the Resource Conservation and Recovery Act with statutory deadlines extending into 1992. Some of the deadlines impose specific controls if EPA fails to act. EPA believes that the deadlines have limited its flexibility to respond to other hazardous waste priorities. EPA could establish specific measurable goals for its major RCRA efforts and develop a long-term strategy for achieving them. Its accountability could be maintained through periodic reporting to the Congress, outlining progress in attaining the goals.

---

**Offshore Oil and Gas:  
Environmental Studies  
Program Meets Most User  
Needs but Changes Needed**

GAO/RCED-88-104, June 29.

About \$450 million has been spent since 1973 to produce environmental studies of the outer continental shelf in support of the Department of the Interior's oil and gas lease sale decisions. Concerns have been raised

---

about the program, particularly the usefulness and quality of the studies. Interior's Minerals Management Service uses the studies for OCS decision-making and in general was satisfied with their usefulness, timeliness, and quality. Some groups, however, believe that about half the studies were received too late to be used. Alaska program resources funding and the number of studies contracts, coupled with duplication of program administrative functions have reduced program efficiency. Consolidating these functions could save up to \$1.3 million per year.

---

**Surface Mining:  
Transferring Interior's  
Surface Mining Regulatory  
Function**

GAO/RCED-88-161, June 9.

The Department of the Interior currently regulates surface mining. Should this function be transferred to another federal agency, the cost would probably range between \$2 million and \$3.3 million with program disruption for about 2 or more years. The Environmental Protection Agency seems to be the most logical agency to carry out the surface mining regulatory function if it were moved from Interior but determining whether this relocation would improve regulation is difficult.

---

**Public Rangelands:  
Some Riparian Areas  
Restored but Widespread  
Improvement Will Be Slow**

GAO/RCED-88-105, June 30.

Over the last 20 years, the Bureau of Land Management and the Forest Service have restored a number of degraded riparian areas on public rangelands in the West, demonstrating the extent of improvement that is possible and that basic restoration approaches used on successful projects can essentially be applied to all riparian areas on federal rangelands. The pace, though, of restoring the large number of degraded riparian areas that remain is likely to be very slow because the number of skilled staff available has been substantially reduced and because many of the field staff responsible for riparian improvement work do not believe their work will be supported by agency management if it is opposed by ranchers using the public rangelands.

---

**Water Resources:  
Issues Concerning the  
Arkansas River Basin  
Operation Plan**

GAO/RCED-88-166, June 23.

Reservoirs in the Arkansas River Basin System are intended to operate within a complex river system serving multiple purposes but not every reservoir was authorized for every possible purpose. Flood control is an authorized purpose for all 11 reservoirs in the system, but navigation is authorized for only 3. GAO believes the Corps of Engineers does not have

---

sufficient authority to operate the reservoirs for purposes not specifically authorized by legislation unless it can be shown that such purposes are not detrimental. It could continue to use the eight reservoirs for navigation if it can show that such use is not detrimental to authorized purposes. If it can't show this, the Corps cannot properly continue the navigational uses in the absence of specific legislative authority.

---

**Water Resources:  
Costs of the Fountain  
Valley Authority Pipeline**

Acc. No. 136316 (GAO/RCED-88-125), July 13.

The Fountain Valley pipeline, located in central Colorado, was designed to convey an average of 10,100 acre-feet of water annually from the Pueblo Reservoir through the Fountain Valley Authority's treatment plant to various users. About \$12.3 million of the project's \$13.9 million total cost increase was caused by increases in construction costs. Additionally, a 19.2 percent overhead rate in the preliminary contract estimate was too low. The Bureau of Reclamation was legally authorized to charge overhead costs which GAO deemed appropriate. The Missouri Basin Region overcharged the Authority more than half a million dollars of project activities expenses which resulted from the Region's applying an incorrect percentage allocation rate in 1981 when distributing overhead costs among individual water project features. GAO believes this overcharge was inequitable. These actions should provide an appropriate basis for Bureau and Authority officials to determine the indirect overhead costs properly allocable to the pipeline project.

---

**Indian Affairs:  
Alaska Native Allotment  
Eligibility Process Can Be  
Improved**

GAO/RCED-88-121, July 8.

Under the Alaska Native Allotment Act of 1906, Alaskan Natives were allowed to apply for ownership of up to 160 acres of land they had used. Despite the law's repeal in 1971, however, the federal government has not yet made eligibility decisions on many applications, and for many cases that have been approved, legal title has not been transferred to the Natives. The Bureau of Land Management estimates that it will not complete the process of making eligibility determinations and transferring legal title to all eligible applicants until about the turn of the century. Many of the factors resulting in this lengthy time period—surveying land in an inclement environment, for example—are not within the Bureau's control.

---

**Cultural Resources:  
Implementation of Federal  
Historic Preservation  
Program Can Be Improved**

GAO/RCED-88-81, June 9.

Many problems have been revealed concerning federal agencies' implementation of the National Preservation Act of 1966 which was to expand the federal government's recognition of and responsibility to protect its own historic properties. As a result of several agencies' inadequate compliance with their historic preservation responsibilities,, federally owned or managed historic properties have been damaged or allowed to significantly deteriorate. In some cases, the lack of historic preservation efforts is a result of factors beyond the control of the agencies. Nevertheless, several recommended corrective actions can improve their compliance.

---

**Agriculture**

---

**Crop Insurance:  
Participation in and Costs  
Associated With the  
Federal Program**

Acc. No. 136252 (GAO/RCED-88-171BR), July 6.

The Federal Crop Insurance Corporation insurance program was designed to become the nation's primary disaster assistance program available to farmers, but participation in it has not occurred to the extent envisioned. Currently, only about one-fourth of the nation's planted acres are being insured for crop loss, the reasons being that (1) many insurance agents and farmers are unfamiliar with important aspects of the program and (2) fluctuations in weather patterns. However, participation is growing as shown by about a 6 percent increase from 1984 to 1986. Average crop insurance premiums and cash flow figures vary considerably among states and crops.

---

**ADP Management  
Controls:  
Farmers Home  
Administration Can  
Improve Reporting of  
Weaknesses**

Acc. No. 136404 (GAO/IMTEC-88-38), July 25.

GAO found several areas where the Farmers Home Administration had not adequately identified, reported, and corrected automated data processing management control weaknesses. Specifically, FmHA did not submit for inclusion in the Department of Agriculture's annual Financial Integrity Act reports the ADP management weaknesses identified in Agriculture and Treasury management reviews. FmHA also determined that it had corrected 16 of its 41 ADP weaknesses included in Agriculture's FIA reports but subsequent reports indicated that 2 of the 16

---

remained uncorrected as of March 1988. If these weaknesses are not corrected, they could affect the future ADP system's development.

---

**Financial Audit:  
Commodity Credit  
Corporation's Financial  
Statements for 1987 and  
1986**

Acc. No. 136298 (GAO/AFMD-88-47), July 7.

GAO's opinion on the financial statements of the Commodity Credit Corporation is qualified because the Corporation has not established an allowance for the uncollectible portion of outstanding loans to countries experiencing financial difficulties. Cumulative losses as of September 1987 range from \$5 to \$8 billion on outstanding loans of \$15 billion to foreign countries. In addition, GAO believes the Corporation should provide a reserve of approximately \$1.5 billion to \$2.5 billion for losses associated with \$5 billion of outstanding guaranteed loans to foreign countries. The Corporation's automated system to validate loan receipts and disbursements has material weaknesses in county offices. Diligent management attention will be required to resolve these weaknesses.

---

**Commerce and  
Housing Credit**

**Financial Audit:  
Federal Savings and Loan  
Insurance Corporation's  
1987 and 1986 Financial  
Statements**

Acc. No. 136250 (GAO/AFMD-88-58), July 5.

The deterioration of the savings and loan industry's financial condition has overwhelmed the resources the Federal Savings and Loan Insurance Corporation had accumulated to protect depositors. The Corporation's 1987 financial statements reflect a loss of more than \$8 billion and a deficit of almost \$14 billion. They also reflect a \$17.4 billion liability for the expected costs of resolving the problems of the more than 200 hopelessly insolvent institutions for which the Corporation had assumed responsibility as of December 1987, as well as several other institutions whose problems the Corporation expects to resolve in 1988. Also at December 1987, almost 300 additional institutions with assets of about \$88 billion were insolvent, exposing the Corporation to further risk. GAO believes that further congressional action, beyond that already taken, may well be needed to enable the Corporation to continue to meet its obligations and provide the deposit insurance it is mandated to provide.



---

**Commercial Banking:  
Trends in Performance  
From December 1976  
Through June 1987**

GAO/GGD-88-106BR, July 28.

The overall financial condition of the commercial banking industry has been declining since the recession in 1981 and 1982. The worsening condition of the industry can be seen in declines in both profitability and asset quality. These trends have produced some capital adequacy problems as seen in the rising number of bank failures which have risen from 7 in 1981 to 182 in 1987. As a result of the declining asset quality, banks have been setting aside larger reserves to cover expected losses on loans and this has decreased profits.

---

**Procurement:  
Compliance With  
Subcontracting  
Requirements at GSA,  
Energy, and Navy**

GAO/GGD-88-83, May 24.

GAO reviewed 2,052 contract files at 15 procurement offices to assess how well the General Services Administration, and the Departments of Energy and the Navy are complying with and administering subcontracting provisions concerning the maximum practicable utilization of small and small disadvantaged businesses. About 50 percent of the contracts in the sample contained the required subcontracting plans. Overall, about 11 percent of the 1,008 contracts and contract modifications that did not have subcontracting plans should have had one. These consisted of 11 of 503 contract actions at GSA, 15 of 233 at Energy, and 84 of 272 at Navy. About 89 percent of the contracts and contract modifications that did not have plans had reasons that were justified.

---

**Postal Service:  
Screening Applicants for  
Employment**

GAO/GGD-88-93, June 24.

A Postal Service investigative report on the August 1986 Edmond, Oklahoma, post office killing of 14 employees said the guilty disgruntled employee had not been properly screened before being employed or properly managed after being hired. GAO found that none of the 15 post offices that it reviewed were in full compliance with the Postal Service's preemployment screening requirements. As a result, each office hired employees without checking their suitability with prior employers and law enforcement agencies. Reasons for noncompliance included (1) law enforcement agencies not providing criminal history information and (2) employers' concerns about privacy issues or being sued. The Service's policy has no instructions to personnel office staff on what to do if they cannot obtain the required screening information and because of a lack of internal control procedures, noncompliance with the screening requirements may not be detected before a person is hired.

---

**Telecommunications:  
Actions Needed for Better  
Management of Public  
Safety Spectrum**

Acc. No. 136309 (GAO/RCED-88-173), July 8.

The Federal Communications Commission has issued over 2 million licenses for radio frequency use, including 122,000 public safety licenses for services such as police and fire activities. Thirty-eight percent of public safety licenses in all bands and 34 percent of 800 MHz radio systems in 10 cities that GAO reviewed were intended exclusively for police and fire services. The remaining licenses were intended for general government, medical, and emergency response activities, which FCC also categorizes as public safety services. FCC has little information on the amount of actual use being made of 800 MHz frequencies by public safety agencies. Management controls for obtaining accurate data and ensuring efficient spectrum use have not been applied and regulatory reporting requirements that would provide such information have not been enforced. Also, FCC does not monitor radio signals, make on-site inspections, or keep waiting lists of public safety applicants in high-demand areas.

---

**Transportation**

---

**Aviation Safety:  
Airlines Should Check  
Pilot Applicants' Safety  
History**

GAO/RCED-88-154, June 7.

The Federal Aviation Administration has few regulatory requirements for airline pilot hiring practices, allowing airlines to develop criteria in line with their own corporate preferences. Airlines are required to perform a security background check, but this requirement is limited to verifying the pilot's employment for 5 prior years. FAA maintains data bases containing records of all pilots' safety history and the validity of pilots' certificates but airline practices concerning pilot safety background checks varied. FAA should inform airlines about how to access its data bases that contain information on pilot certificates and safety background and should encourage airlines to verify pilot applicant's certificate and flying safety history by checking these data bases and using the information in making pilot hiring decisions.

---

**FAA Staffing:  
Improvements Needed in  
Estimating Air Traffic  
Controller Requirements**

GAO/RCED-88-106, June 21.

Current standards determining how many controllers the Federal Aviation Administration needs have not been validated and fall short of accurately reflecting the required number of staff for peak traffic periods and ensuring an adequate training pipeline. Moreover, FAA's current standards are generally not used outside of FAA headquarters. Field managers have developed their own methods for estimating staffing requirements because in some cases they are not aware that headquarters has developed new standards. Validating staffing standards that accurately reflect needs would provide FAA with an effective management tool and help restore congressional, controller, and facility manager confidence.

---

**Social Services**

---

**Supplemental Food  
Program:  
Savings From Food  
Purchases Could Increase  
WIC Participation**

GAO/RCED-88-183BR, July 25.

Should the Special Supplemental Food Program for Women, Infants, and Children in all states achieve cost savings similar to those which Maryland and Ohio achieved, additional eligible participants might be served. These two states provide food to WIC participants through a combined retail purchase and home delivery distribution system. The home delivery portion of the distribution system is where they have contract prices for WIC food items and where the potential for savings exists. Maryland has reported savings of about 2 percent. If duplicated nationally, this rate would equal about \$18.5 million which could finance up to about 46,000 additional participants. Ohio reported savings of about 14 percent or \$129.4 million nationally. This could finance up to about 321,000 additional participants.

---

**The Fair Labor Standards  
Act:  
Extending the Act to State  
and Local Government  
Employees**

GAO/HRD-88-86, June 29.

The Fair Labor Standards Act, which is administered by Labor's Wage and Hour Division, sets minimum wage and overtime pay standards for employees of firms engaged in interstate and foreign commerce. The Garcia decision and the Fair Labor Standards Act Amendments of 1985

---

extended FLSA to additional state and local government employees. This report focuses on the initial steps and actions WHD took to implement the Garcia decision and the 1985 amendments and on WHD's progress in its implementation and enforcement efforts.

---

---

## Health

---

### AIDS: Views on the Administration's Fiscal Year 1989 Public Health Service Budget

GAO/HRD-88-104BR, June 2.

AIDS experts are proposing budgets ranging from \$1.5 billion to \$2.3 billion, increases of 15 to 77 percent over the Administration's \$1.3 billion budget request for Public Health Service AIDS activities in FY 1989. These experts stated that they might have recommended greater funding increases but they recognized that lack of trained health care personnel and insufficient facilities limit the amount that can be effectively spent. They also believe that social science research is underfunded and underemphasized in the PHS AIDS budget request, contending that information on program effectiveness made available to state and local governments would promote channeling of future resources to programs with the most impact on limiting the spread of HIV. To minimize future treatment costs, they believe that more effort should be devoted to health services research on cost-effective methods of financing and delivering care.

---

### Medicare and Medicaid: Updated Effects of Recent Legislation on Program and Beneficiary Costs

GAO/HRD-88-85, July 26.

Major legislative changes in Medicare from 1980 through 1987 played an important role in slowing down the program's cost growth, according to GAO. The six major laws were expected to have a mixed effect on Medicaid program costs. Two of them were expected to result in savings and the others were expected to increase program costs. The average inflation-adjusted out-of-pocket cost per Medicare enrollee for Medicare-covered services increased between 1980 and 1986 by about 73 percent for part A services and about 36 percent for part B services. Much of the increase in beneficiary costs can be attributed to the major legislation enacted during the period. Varying state cost-sharing requirements and the nonavailability of state data precluded an analysis of the change in Medicaid recipients' out-of-pocket costs. However, 28 states have

---

increased cost-sharing requirements for Medicaid recipients as a result of the Tax Equity and Fiscal Responsibility Act of 1982.

---

**Medicare:  
Improved Patient Outcome  
Analyses Could Enhance  
Quality Assessment**

GAO/PEMD-88-23, June 27.

Concern has been raised over misinterpreting the results of Medicare hospital mortality rates using Health Care Financing Administration methodology. HCFA identified specific hospitals having mortality rates that were substantially higher or lower than expected given the mix of Medicare patients they treated. The primary question was whether HCFA could obtain more or better information to guide Medicare quality assurance activities using administrative data on individual patients that it already collects. HCFA should more fully validate the analytical approaches it selected, systematically check its data for accuracy and completeness, and analyze outcomes from several years to reduce the effect of random variation. HCFA's application of Medicare patient outcome analyses has so far been limited, and not notably effective in identifying quality problems.

---

**Medicare:  
Simplified Processing of  
Deceased Beneficiaries'  
Claims to Be Implemented**

GAO/HRD-88-99, June 21.

Processing of certain claims under Medicare involving deceased beneficiaries is being delayed. However, the Health Care Financing Administration is planning to simplify procedures for processing such claims in the near future which would reduce the delays.

---

**Research Animals:  
Federal Costs for Care of  
the Silver Spring Monkeys**

GAO/HRD-88-89, June 3.

A group of 16 monkeys, known as the "Silver Spring Monkeys," were used in research conducted in Silver Spring Maryland, by the Institute for Behavioral Research under a National Institutes of Health grant originally awarded in the early 1970s. NIH became custodian of the monkeys when local police, acting on cruelty charges, took them from IBR and transferred them to NIH's facility in Poolesville, Maryland. The federal government's costs involving the monkeys were at least \$105,084. This represents costs for care, security, and administrative expenses (\$93,404); transportation (\$2,675); lawsuits (\$21,600); and public relations (\$427) totaling \$118,106, less reimbursements of \$13,022 from IBR

---

## Income Security

---

### Retirement Income: 1984 Pension Law Will Help Some Widows but Not the Poorest

Acc. No. 136301 (GAO/HRD-88-77), July 11.

If the spousal consent requirement of the Retirement Equity Act of 1984 had been applicable in 1980-81, the wives of 100,000 newly retired men who chose not to provide a private pension survivor benefit would have had the opportunity to gain entitlement to the benefit. If all the men who did not elect survivor benefits had done so, the median survivor benefit would be about \$142 per month for all wives and \$68 per month for those in the lowest third of the income distribution. While the increased access to survivor benefits from private pensions would increase the income of elderly widows, it would have a negligible effect on their poverty rate because those widows most likely to become poor had husbands who lacked pensions. Even if they gained access to survivor benefits from private pensions, most low- and middle-income wives would continue to depend on social security benefits as their major source of income in widowhood.

---

### Food Stamp Program: Reporting of Application Activities Could Be Improved

GAO/RCED-88-156, July 14.

The Department of Agriculture's Food and Nutrition Service requires states to determine whether applicants for food stamp benefits are eligible for the program and, if so, issue them the appropriate amount of benefits. Six states that GAO reviewed were using different definitions to aggregate and report the required information, thus providing the Service with data that was inconsistent from state to state. The Service had not monitored the accuracy of the information nor had it used it for the correct purposes. The Service has now distributed a revised format for reporting the application information but other reporting differences will also need to be addressed.

---

## Veterans Affairs

---

### VA Hospital Care: A Comparison of VA and HCFA Methods for Analyzing Patient Outcomes

GAO/PEMD-88-29, June 30.

The Veterans Administration modeled its approach to analyzing hospital mortality data after that employed by the Health Care Financing Administration in its 1987 analyses of Medicare hospitals. VA made some changes, however, such as modifications in the diagnostic categories analyzed. It also adjusted for two variables, race and total length of hospital stay, which under certain circumstances could mask some differences in quality of care across hospitals.

---

## Administration of Justice

---

### Defense Procurement Fraud: Justice's Overall Management Can Be Enhanced

GAO/GGD-88-96, June 29.

The Department of Justice does not have complete or timely information on a significant number of defense procurement fraud referrals, does not know the amount of attorney resources spent in the effort and has not developed written plans that would identify defense procurement fraud efforts and allow comparison of planned with actual accomplishments. Justice officials say they need additional attorney and support staff to handle defense procurement fraud cases, many of which are highly complex and time consuming. The department lacks a system to help distinguish the different prosecutive efforts required for different types of cases. Better information could help Justice assess the extent to which this high priority program is using resources nationwide effectively and efficiently.

---

### Federal Workforce: Overtime Pay Practices of the Federal Bureau of Investigation

GAO/GGD-88-94, June 13.

The cost of overtime at the Federal Bureau of Investigation increased from \$38.4 million in FY 1978 to \$60.2 million in FY 1987. When adjusted for inflation, however, FBI overtime costs remained essentially the same, declining from \$61.2 million in 1978 to \$60.2 million in 1987.

---

Nearly all Special Agents receive the maximum amount of administratively uncontrollable overtime payments allowed by FBI regulations (about \$6,307 annually); this is an average of over 9 AUC hours a week. To record hours worked, the FBI uses sign-in and sign-out registers. During the past 5 years, internal investigations have revealed three cases of falsified overtime records by FBI employees. Overtime allocations and periodic audits to control and monitor overtime payments are used.

---

## General Government

---

### Tax Administration: IRS' Service Centers Need to Improve Handling of Taxpayer Correspondence

Acc. No. 136315 (GAO/GGD-88-101), July 13.

The Adjustments/Correspondence Branch in each of the Internal Revenue Service's 10 service centers is responsible for responding to taxpayer inquiries and notifying taxpayers of adjustments to their accounts. In FY 1987, the Branches closed about 12 million cases, many involving letters to taxpayers. In about half of these cases, GAO considered IRS' correspondence to be correct, complete, and clear. In the rest of the cases, IRS' information in the letters and its actions in response to the taxpayers' inquiries, were incorrect, unresponsive, incomplete, or unclear. Also, the Branches did not always comply with administrative procedures designed to foster good taxpayer relations. Factors contributing to the problems include the use of generic responses making it difficult for tax examiners to compose an appropriate letter, and the need for improved training and supervision.

---

### Tax Administration: IRS' Abusive Tax Shelter Efforts Need Improvement

Acc. No. 136392 (GAO/GGD-88-69), July 25.

The Internal Revenue Service's tax shelter registration program is to identify and penalize abusive tax shelters as early as possible, thereby reducing the number of related investor returns entering the examination process. The penalty that Congress provided IRS to curb the promotion of abusive shelters does not sufficiently reduce the financial incentives for organizing, promoting, and selling them. Likewise, the financial disincentive of the penalty for aiding and abetting others in understating their tax liability has been minimized because IRS has difficulty developing the level of proof presently required by law. Also, IRS has been administering the penalties in such a fashion that they were often either overlooked or computed incorrectly. Although the Tax



---

Reform Act of 1986 took away many incentives that made certain types of tax shelters attractive to investors, the impact of the act of future shelters is uncertain. Thus, GAO recommends legislative changes in the penalty structure and improvements in any continued detection programs.

---

---

**IRS' ADP Budget:  
Issues That Could Affect  
Funding of Personnel  
System Project**

GAO/IMTEC-88-45, June 15.

The Internal Revenue Service is requesting about \$10.3 million in FY 1989 for Personnel Management Information Telecommunications Systems. Considering the possibility that the Department of the Treasury will decide to use the Department of Agriculture's integrated payroll and personnel system on an agency-wide basis, as well as the telecommunications difficulties experienced by IRS in making the conversion from the Burroughs to the Sperry system, IRS' justification for these funds should be explored.

---

---

**IRS' ADP Budget:  
Funds for a Suspended  
Payroll Project Need  
Further Justification**

GAO/IMTEC-88-44, June 15.

The Internal Revenue Service is requesting about \$10.5 million for the Federal Standard Civilian Payroll System in its FY 1989 budget. As of December 1987, FEDSCPS was still in the physical design stage and more than a year behind schedule. Considering the status of the system's development and Treasury's pending decision to select the Department of Agriculture's payroll system, IRS' justification for these funds should be explored.

---

---

**Financial Management:  
Responses to 17 Questions**

GAO/AFMD-88-63BR, June 20.

This report responds to a series of questions posed by the Congress concerning federal financial management, financial reporting, and accounting operations. GAO's responses were based on published documents, its institutional knowledge, and staff level discussions about financial management issues.

---

**Government Consultants:  
Agencies' FY 1987  
Consulting Services  
Obligations at Specified  
Reduction Levels**

GAO/GGD-88-104FS, June 24.

This fact sheet provides information on agencies' FY 1987 consulting services contract obligations at specified reduction levels. GAO applied a 15-percent reduction to the estimates based on four procurement categories of product/service codes in the Federal Procurement Data System identified by the President's Cabinet Council on Management and Administration as being solely for consulting services. These categories are management and professional services, special studies and analyses, technical assistance, and management reviews of program-funded organizations. GAO also applied a 5-percent reduction to its estimates of agencies' consulting services obligations for FY 1987 based on seven other procurement categories that could include consulting services, according to the Cabinet Council.

---

**Budget Issues:  
Status of Obligations at  
Selected Agencies**

GAO/AFMD-88-62FS, June 28.

Concern has been raised over the possibility of executive agencies not planning to fully obligate funds for programs, projects, and activities. The Department of Agriculture, with the exception of 5 projects, plans to obligate all funds. At the time of this report, they had obligated \$35.7 million out of \$143.1 million, or 25 percent. The Department of Commerce intended to obligate all funds in question, but GAO found two categories of major exceptions, both concerning the National Oceanic and Atmospheric Administration. At the time of this study, Commerce had obligated \$21.1 million of the total \$71.8 million, or 29.4 percent. The Department of Defense—Army, Navy, and Corps of Engineers—plans to obligate funds for all items except for one project. At the time of this study it had obligated \$11 million out of \$433.3 million, or 2.5 percent. The Department of Transportation intends to obligate all funds except for 3 projects. As of May 1988, it had obligated \$107.5 million out of \$838.5 million, or 13 percent. The Department of the Interior intends to fully obligate its funds. At the time of this study, it had obligated \$77 million out of \$250.4 million.

---

**Federal Employees:  
Appointees Converted to  
Career Positions, January  
Through March 1988**

GAO/GGD-88-100FS, June 24.

For January 1988 through March 1988, 41 agencies reported that they had not appointed any noncareer employees to career positions. The remaining 19 agencies reported 54 conversions, with the Federal Deposit Insurance Corporation reporting 10, the largest number of conversions.

---

Forty-nine of the 54 conversions were competitive appointments and 5 were noncompetitive.

---

**Lease-Purchase:  
Corps of Engineers  
Acquisition of Building in  
New Orleans District**

GAO/AFMD-88-56FS, June 7.

The Corps of Engineers entered into a lease-purchase agreement for an office building in New Orleans in September 1985. Using the lease-purchase option instead of purchasing the building directly will result in a loss to the federal government of about \$23.5 million over the 25-year lease term. If payments for taxes and insurance are considered, the cost difference would be about \$31.3 million.

---

**Financial Audit:  
Senate Restaurants  
Revolving Fund for Fiscal  
Years 1987 and 1986**

Acc. No. 136338 (GAO/AFMD-88-50), July 15.

The United States Senate Restaurants Revolving Fund is administered by the restaurants' management under the jurisdiction of the Architect of the Capitol. It operated at a loss of \$431,187 in FY 1987; its total operating profit in 1986 was \$310,544.

---

**Congressional  
Testimony by GAO  
Officials**

Compliance With Subcontracting Plan Requirements, by L. Nye Stevens, General Government Division, before the House Committee on Small Business, July 6. GAO/T-GGD-88-45.

Foreign Aid: Observations on the Overseas Private Investment Corporation, by Nancy R. Kingsbury, National Security and International Affairs Division, before the Senate Committee on Foreign Relations, July 6. GAO/T-NSIAD-88-37.

Base Realignment and Closure, by Charles A. Bowsher, Comptroller General of the United States, before the Secretary's Commission on Base Realignment and Closure, July 7. GAO/T-NSIAD-88-36. Acc. No. 136245.

Proposed Alaska Land Exchanges, by James Duffus III, Resources, Community, and Economic Development Division, before the Subcommittee on Water and Power Resources, House Committee on Interior and Insular Affairs, July 7. GAO/T-RCED-88-52. Acc. No. 136285.

Unemployment Insurance: Issues Relating to Reserve Adequacy and Trust Fund Solvency, by William J. Gainer, Human Resources Division,

---

before the Subcommittee on Employment and Housing, House Committee on Government Operations, July 7. GAO/T-HRD-88-23.

Defense Management and Procurement Issues, by Charles A. Bowsher, Comptroller General of the United States, before the Senate Committee on Armed Services, July 11. GAO/T-NSIAD-88-38. Acc. No. 136286.

GAO Observations on OPM's June 1988 Initiative to Recruit and Hire into the Public Service, by Rosslyn S. Kleeman, General Government Division, before the Subcommittee on Civil Service, House Committee on Post Office and Civil Service, July 12. GAO/T-GGD-88-48. Acc. No. 136288.

Defense Procurement Fraud: Justice's Overall Management Can Be Enhanced, by Richard L. Fogel, General Government Division, before the Senate Committee on the Judiciary, July 12. GAO/T-GGD-88-46. Acc. No. 136287.

Effect of the 1987 Stock Market Decline on Selected Large Pension Plans, by Joseph F. Delfico, Human Resources Division, before the Subcommittee on Oversight, House Committee on Ways and Means, July 12. GAO/T-HRD-88-21. Acc. No. 136289.

Pension Portability and Preservation: Issues and Proposals, by Joseph F. Delfico, Human Resources Division, before the Subcommittee on Oversight, House Committee on Ways and Means, July 12. GAO/T-HRD-88-24. Acc. No. 136341.

IRS' Correspondence With Taxpayers and its Telephone Assistance Program, by Jennie S. Stathis, General Government Division, before the Subcommittee on Commerce, Consumer, and Monetary Affairs, House Committee on Government Operations, July 13. GAO/T-GGD-88-47. Acc. No. 136311.

Dealing With Major Problem Areas in the Nuclear Defense Complex Expected to Cost Over \$100 Billion, by J. Dexter Peach, Resources, Community, and Economic Development Division, before the Senate Committee on Governmental Affairs, July 13. GAO/T-RCED-88-53. Acc. No. 136314.

Procurement Irregularities at the U.S. Army Missile Command and the U.S. Army Strategic Defense Command, Huntsville, Alabama, by David C. Williams, Office of Special Investigations, before the Subcommittee on Legislation and National Security, House Committee on Government Operations, July 13. GAO/T-OSI-88-5. Acc. No. 136313.

---

Defense Management and Procurement Issues, by Charles A. Bowsher, Comptroller General of the United States, before the Subcommittee on Legislation and National Security, House Committee on Government Operations, July 13. GAO/T-NSIAD-88-39. Acc. No. 136312.

Changes in the Delivery of Selected Mental Health Services at Veterans Administration Medical Centers, by David P. Baine, Human Resources Division, before the Senate Committee on Veterans' Affairs, July 14. GAO/T-HRD-88-22. Acc. No. 136317.

Providing Periodic Personal Earnings and Benefit Statements to Workers Covered by Social Security, by Joseph F. Delfico, Human Resources Division, before the Subcommittee on Social Security and Family Policy, Senate Committee on Finance, July 14. GAO/T-HRD-88-25. Acc. No. 136405.

GAO Views on Monitored Retrievable Storage of Nuclear Waste, by Keith O. Fultz, Resources, Community, and Economic Development Division, before the Monitored Retrievable Storage Review Commission, July 26. GAO/RCED-88-55. Acc. No. 136406.

DOD's Risk Assessment and Safeguards Management of Chemical and Biological Warfare Research and Development Facilities, by Eleanor Chelimsky, Program Evaluation and Methodology Division, before the Subcommittee on Oversight of Government Management, Senate Committee on Governmental Affairs, July 27. GAO/T-PEMD-88-10.

Use of Information Technology by VA's Department of Veterans Benefits, by Melroy D. Quasney, Information Management and Technology Division, before the Subcommittee on Oversight and Investigations, House Committee on Veterans Affairs, July 28. GAO/T-IMTEC-88-6.

Check appropriate box, tear out entire form, and send to:

U.S. General Accounting Office  
Post Office Box 6015  
Gaithersburg, Maryland 20877

Be sure and include mailing label form on back cover.

### National Defense

- ☐ Weapons Testing:  
Quality of DOD Operational Testing and Reporting  
GAO/PEMD-88-32BR, July 26.
- ☐ Weapon Systems:  
Acquisition of the Army's Line-of-Sight Forward Heavy Air Defense System  
GAO/NSIAD-88-198, June 30.
- ☐ Missile Development:  
AMRAAM's Combat Effectiveness at Production Not Fully Tested  
GAO/NSIAD-88-186, July 7.
- ☐ ICBM Modernization:  
Selected Funding Options for the Small ICBM  
Acc. No. 136306 (GAO/NSIAD-88-193), July 7.
- ☐ Strategic Defense Initiative Program:  
Accuracy of Statements Concerning DOE's X-Ray Laser Research Program  
GAO/NSIAD-88-181BR, June 30.
- ☐ Strategic Air Command:  
KC-135A Crash and the Need for SAC Air Show Regulations  
GAO/NSIAD-88-172, July 19.
- ☐ Combat Radios:  
Army's Selection of SINCGARS' Second-Source Contractor  
Acc. No. 136382 (GAO/NSIAD-88-200), July 7.
- ☐ Internal Controls:  
Controls Over Material Furnished to Navy Contractors Can Be Improved  
GAO/NSIAD-88-150, June 21.
- ☐ Military Personnel:  
Impact of Joint Duty Tours on Officer Career Paths  
GAO/NSIAD-88-184BR, June 6.
- ☐ Military Manpower:  
Problems in Accounting for Occupational Shortfalls  
GAO/NSIAD-88-188, July 15.

- ☐ DOD Civilians Overseas:  
Information on Workyears Expended in Fiscal Year 1986  
Acc. No. 136340 (GAO/NSIAD-88-199BR), July 15.
- ☐ DOD Health Care:  
Additional Efforts Needed to Verify Physicians' Qualifications  
Acc. No. 136367 (GAO/HRD-88-39), July 18.
- ☐ Medical ADP Systems:  
Analysis of Technical Aspects of DOD's Composite Health Care System  
Acc. No. 136304 (GAO/IMTEC-88-27), July 11.
- ☐ Army Construction:  
Allegation of the Improper Use of Materials at Ft. Leonard Wood Found to Be Unmerited  
GAO/NSIAD-88-202BR, July 18.

### International Affairs

- ☐ Foreign Aid:  
Issues Concerning AID's Private-Sector Revolving Fund  
Acc. No. 136368 (GAO/NSIAD-88-185), July 18.
- ☐ Caribbean Basin Initiative:  
Impact on Selected Countries  
Acc. No. 136305 (GAO/NSIAD-88-177), July 12.
- ☐ State Department:  
Controlling Access to Headquarters Facilities  
GAO/NSIAD-88-196BR, June 29.

### Science, Space, and Technology

- ☐ Biotechnology:  
Managing the Risks of Field Testing Genetically Engineered Organisms  
GAO/RCED-88-27, June 13.
- ☐ Space Shuttle:  
NASA's Major Changes to Flight Hardware  
GAO/NSIAD-88-173FS, June 27.

### Energy

- ☐ Nuclear Health and Safety:  
Dealing With Problems in the Nuclear Defense Complex Expected to Cost Over \$100 Billion  
Acc. No. 136310 (GAO/RCED-88-197BR), July 6.
- ☐ Nuclear Health and Safety:  
Oversight at DOE's Nuclear Facilities Can Be Strengthened  
Acc. No. 136307 (GAO/RCED-88-137), July 8.
- ☐ Nuclear Waste:  
DOE Should Base Disposal Fee Assessment on Realistic Inflation Rate  
Acc. No. 136393 (GAO/RCED-88-129), July 22.
- ☐ Naval Petroleum Reserve No. 1:  
Efforts to Sell the Reserve  
GAO/RCED-88-198, July 28.
- ☐ Energy Management:  
States' Use and DOE Oversight of Exxon and Stripper Well Overcharge Funds  
GAO/RCED-88-152, June 14.
- ☐ Oil Reserves:  
Status of Strategic Petroleum Reserves as of March 31, 1988  
GAO/RCED-88-175FS, June 24.

### Natural Resources and Environment

- ☐ Hazardous Waste:  
New Approach Needed to Manage the Resource Conservation and Recovery Act  
Acc. No. 136383 (GAO/RCED-88-115), July 19.
- ☐ Offshore Oil and Gas:  
Environmental Studies Program Meets Most User Needs but Changes Needed  
GAO/RCED-88-104, June 29.

- ☐ Surface Mining:  
Transferring Interior's Surface Mining Regulatory Function  
GAO/RCED-88-161, June 9.
- ☐ Public Rangelands:  
Some Riparian Areas Restored but Widespread Improvement Will Be Slow  
GAO/RCED-88-105, June 30.
- ☐ Water Resources:  
Issues Concerning the Arkansas River Basin Operation Plan  
GAO/RCED-88-166, June 23.
- ☐ Water Resources:  
Costs of the Fountain Valley Authority Pipeline  
Acc. No. 136316 (GAO/RCED-88-125), July 13.
- ☐ Indian Affairs:  
Alaska Native Allotment Eligibility Process Can Be Improved  
GAO/RCED-88-121, July 8.
- ☐ Cultural Resources:  
Implementation of Federal Historic Preservation Program Can Be Improved  
GAO/RCED-88-81, June 9.

### Agriculture

- ☐ Crop Insurance:  
Participation in and Costs Associated With the Federal Program  
Acc. No. 136252 (GAO/RCED-88-171BR), July 6.
- ☐ ADP Management Controls:  
Farmers Home Administration Can Improve Reporting of Weaknesses  
Acc. No. 136404 (GAO/IMTEC-88-38), July 25.
- ☐ Financial Audit:  
Commodity Credit Corporation's Financial Statements for 1987 and 1986  
Acc. No. 136298 (GAO/AFMD-88-47), July 7.

## Commerce and Housing Credit

- Financial Audit: Federal Savings and Loan Insurance Corporation's 1987 and 1986 Financial Statements Acc. No. 136250 (GAO/AFMD-88-58), July 5.
- Commercial Banking: Trends in Performance From December 1976 Through June 1987 GAO/GGD-88-106BR, July 28.
- Procurement: Compliance With Subcontracting Requirements at GSA, Energy, and Navy GAO/GGD-88-83, May 24.
- Postal Service: Screening Applicants for Employment GAO/GGD-88-93, June 24.
- Telecommunications: Actions Needed for Better Management of Public Safety Spectrum Acc. No. 136309 (GAO/RCED-88-173), July 8.

## Transportation

- Aviation Safety: Airlines Should Check Pilot Applicants' Safety History GAO/RCED-88-154, June 7.
- FAA Staffing: Improvements Needed in Estimating Air Traffic Controller Requirements GAO/RCED-88-106, June 21.

## Social Services

- Supplemental Food Program: Savings From Food Purchases Could Increase WIC Participation GAO/RCED-88-183BR, July 25.
- The Fair Labor Standards Act: Extending the Act to State and Local Government Employees GAO/HRD-88-86, June 29.

## Health

- AIDS: Views on the Administration's Fiscal Year 1989 Public Health Service Budget GAO/HRD-88-104BR, June 2.
- Medicare and Medicaid: Updated Effects of Recent Legislation on Program and Beneficiary Costs GAO/HRD-88-85, July 26.

- Medicare: Improved Patient Outcome Analyses Could Enhance Quality Assessment GAO/PEMD-88-23, June 27.

- Medicare: Simplified Processing of Deceased Beneficiaries' Claims to Be Implemented GAO/HRD-88-99, June 21.

- Research Animals: Federal Costs for Care of the Silver Spring Monkeys GAO/HRD-88-89, June 3.

## Income Security

- Retirement Income: 1984 Pension Law Will Help Some Widows but Not the Poorest Acc. No. 136301 (GAO/HRD-88-77), July 11.
- Food Stamp Program: Reporting of Application Activities Could Be Improved GAO/RCED-88-156, July 14.

## Veterans Affairs

- VA Hospital Care: A Comparison of VA and HCFA Methods for Analyzing Patient Outcomes GAO/PEMD-88-29, June 30.

## Administration of Justice

- Defense Procurement Fraud: Justice's Overall Management Can Be Enhanced GAO/GGD-88-96, June 29.
- Federal Workforce: Overtime Pay Practices of the Federal Bureau of Investigation GAO/GGD-88-94, June 13.

## General Government

- Tax Administration: IRS' Service Centers Need to Improve Handling of Taxpayer Correspondence Acc. No. 136315 (GAO/GGD-88-101), July 13.
- Tax Administration: IRS' Abusive Tax Shelter Efforts Need Improvement Acc. No. 136392 (GAO/GGD-88-69), July 25.
- IRS' ADP Budget: Issues That Could Affect Funding of Personnel System Project GAO/IMTEC-88-45, June 15.
- IRS' ADP Budget: Funds for a Suspended Payroll Project Need Further Justification GAO/IMTEC-88-44, June 15.

- Financial Management: Responses to 17 Questions GAO/AFMD-88-63BR, June 20.

- Government Consultants: Agencies' FY 1987 Consulting Services Obligations at Specified Reduction Levels GAO/GGD-88-104FS, June 24.

- Budget Issues: Status of Obligations at Selected Agencies GAO/AFMD-88-62FS, June 28.

- Federal Employees: Appointees Converted to Career Positions, January Through March 1988 GAO/GGD-88-100FS, June 24.

- Lease-Purchase: Corps of Engineers Acquisition of Building in New Orleans District GAO/AFMD-88-56FS, June 7.

- Financial Audit: Senate Restaurants Revolving Fund for Fiscal Years 1987 and 1986 Acc. No. 136338 (GAO/AFMD-88-50), July 15.

## Congressional Testimony by GAO Officials

- Compliance With Subcontracting Plan Requirements, July 6. GAO/T-GGD-88-45.
- Foreign Aid: Observations on the Overseas Private Investment Corporation, July 6. GAO/T-NSIAD-88-37.
- Base Realignment and Closure, July 7. GAO/T-NSIAD-88-36. Acc. No. 136245.
- Proposed Alaska Land Exchanges, July 7. GAO/T-RCED-88-52. Acc. No. 136285.
- Unemployment Insurance: Issues Relating to Reserve Adequacy and Trust Fund Solvency, July 7. GAO/T-HRD-88-23.
- Defense Management and Procurement Issues, July 11. GAO/T-NSIAD-88-38. Acc. No. 136286.
- GAO Observations on OPM's June 1988 Initiative to Recruit and Hire into the Public Service, July 12. GAO/T-GGD-88-48. Acc. No. 136288.
- Defense Procurement Fraud: Justice's Overall Management Can Be Enhanced, July 12. GAO/T-GGD-88-46. Acc. No. 136287.
- Effect of the 1987 Stock Market Decline on Selected Large Pension Plans, July 12. GAO/T-HRD-88-21. Acc. No. 136289.
- Pension Portability and Preservation: Issues and Proposals, July 12. GAO/T-HRD-88-24. Acc. No. 136341.
- IRS' Correspondence With Taxpayers and its Telephone Assistance Program, July 13. GAO/T-GGD-88-47. Acc. No. 136311.
- Dealing With Major Problem Areas in the Nuclear Defense Complex Expected to Cost Over \$100 Billion, July 13. GAO/T-RCED-88-53. Acc. No. 136314.
- Procurement Irregularities at the U.S. Army Missile Command and the U.S. Army Strategic Defense Command, Huntsville, Alabama, July 13. GAO/T-OSI-88-5. Acc. No. 136313.
- Defense Management and Procurement Issues, July 13. GAO/T-NSIAD-88-39. Acc. No. 136312.
- Changes in the Delivery of Selected Mental Health Services at Veterans Administration Medical Centers, July 14. GAO/T-HRD-88-22. Acc. No. 136317.
- Providing Periodic Personal Earnings and Benefit Statements to Workers Covered by Social Security, July 14. GAO/T-HRD-88-25. Acc. No. 136405.
- GAO Views on Monitored Retrievable Storage of Nuclear Waste, July 26. GAO/RCED-88-55. Acc. No. 136406.
- DOD's Risk Assessment and Safeguards Management of Chemical and Biological Warfare Research and Development Facilities, July 27. GAO/T-PEMD-88-10.
- Use of Information Technology by VA's Department of Veterans Benefits, July 28. GAO/T-IMTEC-88-6.

---

United States  
General Accounting Office  
Washington, D.C. 20548

Official Business  
Penalty for Private Use \$300

First-Class Mail Postage & Fees Paid GAO Permit No. G100
---